

## Message Text

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47

ACTION EUR-10

INFO OCT-01 ISO-00 AEC-05 AID-05 CEA-01 CIAE-00 CIEP-01

COME-00 DODE-00 EB-03 FEAE-00 FPC-01 H-01 INR-10

INT-01 L-02 NSAE-00 NSC-07 OMB-01 PM-03 RSC-01 SAM-01

SCI-03 SP-02 SS-14 STR-01 TRSE-00 FRB-01 PA-01 PRS-01

USIA-04 DRC-01 EURE-00 /082 W  
----- 075553

P 101729Z OCT 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 4740

INFO AMCONSUL CALGARY

AMCONSUL MONTREAL

AMCONSUL TORONTO

LIMITED OFFICIAL USE OTTAWA 3339

3.O. 11652: N/A

TAGS: ENRG, CA

SUBJ: ENERGY: SARNIA-MONTREAL PIPELINE EXTENSION

1. TORONTO GLOBE AND MAIL OF OCT 10 REPORTS EXTENSIVELY ON UNEXPECTED REQUEST BY INTERPROVINCIAL PIPELINE CO. (IPL) TO NATIONAL ENERGY BOARD (NEB) AT OCT 9 RE-CONVENING OF HEARINGS ON SARNIA-MONTREAL PIPELINE EXTENSION TO ADJOURN HEARING PENDING RELEASE OF NEB'S LONG-AWAITED REPORT ON CANADIAN CRUDE OIL SUPPLY.

2. IPL PRESIDENT WALDON IS REPORTED TO HAVE SAID THAT COMPANY HAS GROWING FEAR THAT THERE WILL BE INSUFFICIENT DOMESTIC OIL PRODUCTION IN WESTERN CANADA TO MEET GROWING REQUIREMENTS WEST OF THE OTTAWA LINE, LET ALONE SUPPLYING EASTERN CANADA. IN THIS SITUATION, WALDON INDICATED THAT IF THE GOC WANTS THE PIPELINE BUILT AS A SECURITY MEASURE THE GOVERNMENT SHOULD BE WILLING TO  
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UNDERWRITE IT AND PROVIDE GUARANTEES OF A MINIMUM ANNUAL

REVENUE OF ABOUT \$25 MILLION.

3. NEB IS EXPECTED TO RULE ON IPL'S REQUEST FOR ADJOURNMENT TODAY. IF NEB DECIDES TO COMPLETE HEARING, IPL REPORTEDLY WILL REQUEST THAT DECISION ON ISSUING CERTIFICATE TO BEGIN CONSTRUCTION BE DELAYED PENDING RELEASE OF THE NEB'S SUPPLY REPORT (AND PRESUMABLY UNTIL IPL CAN DISCUSS MATTER OF GOVERNMENT GUARANTEE ON THROUGHPUT AND/OR REVENUES).

4. EMBASSY COMMENT: IPL HAS BEEN RUMORED FOR SOME MONTHS TO BE FOOT-DRAGGING ON THIS PROJECT AND TO HAVE SERIOUS MISGIVINGS ABOUT SUPPLY AVAILABILITY. ON MATTER OF NEB OIL REPORT (BASED ON LAST APRIL'S HEARINGS) A FINAL DRAFT WAS CIRCULATING WITHIN THE NEB SEVERAL MONTHS AGO AND PRESUMABLY BY THIS DATE HAS GONE FORWARD TO ENERGY MINISTER MACDONALD. IT IS NOT KNOWN WHEN IT WILL BE RELEASED PUBLICLY.  
PORTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, ENERGY, PRESS COMMENTS, PIPELINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 OCT 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974OTTAWA03339  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740288-0697  
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**Office:** ACTION EUR  
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**Original Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 APR 2002 by ifshinsr>; APPROVED <19-Aug-2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ENERGY: SARNIA-MONTREAL PIPELINE EXTENSION  
**TAGS:** ENRG, CA  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005